

**County of San Diego, Health and Human Services Agency (HHSA)**  
**CalWORKs and CalFresh Program Guide Letter**

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**Issue Date:**

03/16/2016

**Effective Date:**

December 1, 2015

**Purpose:**

To implement a policy change in the way that overpayments/overissuances claims are calculated under the Semi-Annual Reporting (SAR) and Annual Reporting/Child Only (AR/CO) systems. This policy applies to both client-caused and administrative-caused overpayments/overissuances, including overpayments/ overissuances calculated during the IEVS process.

**Background:**

Under SAR and AR/CO, benefits are generally frozen during the payment period and can only be lowered based on specific mandatory reports. However, benefits can be increased based on a change in income or circumstances any time during the payment period.

This rule is meant to benefit customers; but was not being applied when calculating overpayments/overissuances, resulting in large overpayment/overissuance amounts based on income that the clients did not actually have.

**Policy Change:**

Case circumstances must be recreated based on all reports that were required to be made, including any subsequent decreases in income, that would have increased the benefit amount (and thus decrease the overpayment/overissuance amount). The Income Reporting Threshold (IRT) must be recalculated based on the income used in each month of the overpayment/overissuance calculation, and the multiplier must still be used, when necessary, to determine a monthly average for weekly and biweekly income.

**Summary of Changes:**

**CPG 44-350.F Overpayment Calculation**

- Incorporating new policy to:
  - Consider any unreported changes (increases/decreases) in income and circumstances that would change the recomputed benefit amount
  - Recalculate IRT when the income changes
  - Evaluate the applicant test for the subsequent month when the unreported income results on program ineligibility, and then the income ends/decreases
- Identifying the first month of overpayment when the customer held excess property, based under SAR and AR/CO regulations
- Reformatting section and removing obsolete information

**Questions and Answers 44-350.F1 Overpayments under the SAR and AR/CO Systems**

- Introducing material to demonstrate different examples on how to calculate overpayments

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CFPG 63-451 Establishment of CalFresh Claims

- Incorporating new policy to consider any unreported changes (increases/decreases) in income and circumstances that would change the recomputed benefit amount
- Reformatting section and removing obsolete information

Definitions and Examples Overissuances

- Adding examples to demonstrate different scenarios on how to calculate overissuances.

Changes to the program guides are noted with highlighted text.

**Impacts:**

Automation

No impact

Forms and Document Capture

No impact

Programs Affected

No impact

Quality Control

Quality Control will cite the appropriate error when the regulations cited in this program material have not been followed.

Management Reporting

A Management Report will be issued to FRCs, for cases containing overpayments/overissuances discovered in the month of December and ongoing, to determine whether the new policy needs to be applied to the listed claims.

**References:**

ACL 15-95


**Sunset Date:**

This policy will be reviewed for continuance by March 31, 2019

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**Approval for Release:**

 3-16-14

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